

**MINUTES  
of the  
FIFTH MEETING  
of the  
JOBS COUNCIL**

**October 9, 2013  
Silver City**

The fifth meeting of the Jobs Council (council) was called to order by Representative W. Ken Martinez, co-chair, on October 9, 2013 at 9:49 a.m. at the Fort Bayard Room of the Grant County Business and Conference Center in Silver City.

**Present**

Rep. W. Ken Martinez, Co-Chair  
Rep. Donald E. Bratton  
Beverlee McClure  
Rep. Rick Miera  
Rep. Debbie A. Rodella

**Absent**

Sen. Mary Kay Papen, Co-Chair  
Ray M. Baca  
Terry Brunner  
Sen. Phil A. Griego  
Sen. Stuart Ingle  
Sen. Michael S. Sanchez

**Advisory Members**

Rep. Mary Helen Garcia  
Rep. Stephanie Garcia Richard

Sen. William F. Burt  
Sen. George K. Munoz  
Sen. Michael Padilla  
Sen. John C. Ryan  
Rep. Thomas C. Taylor  
Rep. James P. White

**Guest Legislator**

Rep. Larry A. Larrañaga

**Staff**

Tessa Ryan, Staff Attorney, Legislative Council Service (LCS)  
Raúl E. Burciaga, Director, LCS  
Monica Ewing, Staff Attorney, LCS

**Guests**

The guest list is in the meeting file.

**Handouts**

Handouts and other written materials are in the meeting file.

**Wednesday, October 9**

**Welcoming Remarks**

Senator Howie C. Morales welcomed the council and meeting attendees to his home district. Dr. Joseph Shepard, president of Western New Mexico University (WNMU), also welcomed the council and stated that one of the most important functions of WNMU is its involvement with the local economy. Kim Clark, president of the Grant County Prospectors, greeted the council on behalf of the business leaders, educators and policymakers that make up her organization.

**Minutes**

The council, without objection, approved the minutes of the fourth council meeting.

**Review of Process and Past Meeting Results; Introduction to Session Five**

Mark Lautman, lead program consultant to the council, discussed the council's interim work to date and noted that at the council's last meeting, the group was working to finalize a tool to be used by lawmakers for ranking job-creation projects. In his review of the council's work up to that point, Mr. Lautman stated that the council had reached consensus on the interim council process and on the use of terms such as "economic-base jobs" and "economic development". He noted that the council's focus is on creating economic-base jobs because when those jobs are created, service sector jobs automatically follow.

Mr. Lautman stated that economic development planning is difficult, but nevertheless worthwhile so that the state has a way to organize discretionary resources and to invest in job creation. He also stressed the importance of the fact that the council's job-creation estimates are arrived at using the council's and meeting participants' own expertise. He said that allowing the meeting participants to deliberate on and arrive at their own estimates is as good, and possibly better, than asking economic development experts to provide data and information to the council. Mr. Lautman reviewed the job-creation estimates arrived at in previous council meetings.

Mr. Lautman noted that the council was considering nontraditional economic-base sectors, including independent work, health care and tourism. He added that the state's Economic Development Department and Council of Government (COG)-region representatives had been involved in the council's work from the beginning.

At the council's meeting in Roswell, council members developed lists of the three most important employment sectors in each COG district and then identified the three most important factors of production affecting job creation in those sectors. The meeting participants identified the need for qualified workers in nearly every employment sector. Ultimately, the council will take lists like those created by the COGs in Roswell and use data and research from the work force development industry to support the council's estimations.

At the council's sixth meeting, Mr. Lautman stated, the group would discuss work force issues and the other job-creation barriers that have been mapped by the council. The legislature, he said, needs to see that the funding it provides will be used in areas in which job-creation barriers have been planned for and identified.

Mr. Lautman noted that in order to ensure that investments are productive, it is important to identify in each sector procuring agents who are to be responsible for ensuring that jobs are created. He added that if a procuring agent for a given employment sector cannot be identified, then job-creation efforts in that sector should receive lower priority than those efforts in sectors with identifiable procurement agents. This prioritization can help direct investments to areas in which they will have the most impact. Procuring agents should: 1) have economic-base job creation as their primary mission; 2) identify specific economic-base sector targets, numerical job-creation goals and transaction metrics; and 3) have substantial financial and professional resources in the areas of marketing, lead generation, sales, deal structuring and product development.

### **Policy and Program Recommendations — Breakout Sessions**

The council and meeting attendees divided into COG-region groups for the first deliberative session. Each group worked to identify lead procurement agents and regional procurement agents within their regions for each employment sector. The groups observed that private entities, while not always considered procuring agents, can be an important part of the process of job creation. A council member asked how to encourage job creation in the independent worker sector. Mr. Lautman responded that health and social services and independent workers do not currently have identifiable procuring agents, but various economic development agencies might be able to take on the work of supporting job creation in those sectors.

During a second deliberative session, Mr. Lautman asked the groups to assign ratings — from "0" to "3" — to the factors of production identified for each sector. A rating of "3" would designate a factor of production that, if not resolved, would eliminate job creation in a sector. A rating of "2" would be assigned if a factor of production were less critical, as in the need for additional capital. A rating of "1" or "0" would designate factors of production that do not pose significant obstacles to job creation. Assigning the ratings, he said, would help to identify the areas that most urgently should be addressed to ensure that the job-creation estimates that the council arrived at can be realized.

### **Policy and Program Recommendations — Consensus Deliberation**

The COG-region work groups reported to the whole group on the outcome of their deliberations.

The Mid-Region COG district group reported having discussed whether an existing agency could modify its mission to include procurement of solo/independent worker positions.

The South Central COG district group stated that it had a hard time identifying a procurement agent for health and social services and exported services. The members added that manufacturing and government are strong areas in their district.

The Northwest COG district group noted that it is not always a government agency that could serve as the procurement agent; sometimes that role is filled by a private entity. The group noted that it might be possible to work with the private sector to procure jobs in a given employment sector.

The Southwest COG district group reported that the largest factors of production in the area are broadband access and housing availability.

The North Central COG district group reported that it was unable to identify many procuring agents but noted that there is a lot of opportunity in the area.

Mr. Karpoff iterated that there are many agencies working at job creation. After hearing reports from each COG region, Mr. Lautman confirmed that the whole group had trouble identifying procuring agents for exported services, independent work, emerging technologies, agriculture and health and social services.

Mr. Lautman informed the group that if the council is able to map job-creation priorities, then legislators will be able to trace economic development issues to the jobs that need to be created. He reviewed a list of sample criteria for selection and ranking of job-creation priorities. He explained that rural areas of the state are not always able to create jobs in every sector, so the council's selection and ranking tool provides a multiplier to account for the lower job creation in those areas. He discussed additional considerations, including return on investment and the risk of losing a transient employer.

At the next council meeting in Santa Fe, Mr. Lautman explained, the group would consider what actions the legislature might take in the coming session. The council could help provide the legislators with a methodology on job creation. A meeting participant expressed his support of the council's systematic planning efforts. He stated that the council's work involves planning for seven or eight New Mexico communities, and it is important that representatives from each region engage in the council's process.

### **Adjournment**

There being no further business before the council, the fifth meeting of the Jobs Council for the 2013 interim adjourned at 2:44 p.m.